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New York Stock Exchange

Constitution and by-laws

New York

1875

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# CONSTITUTION

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## BY-LAWS

OF THE

New York Stock Exchange,

AS AMENDED AND ADOPTED,

APRIL 30, 1875.

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New York:

DOUGLAS TAYLOR, LAW, BOOK & JOB PRINTER, Cor. FULTON & NASSAU STS.

1875.

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## PREAMBLE.

Whereas, on the first day of May, 1869, in consolidating the GOVERNMENT DEPARTMENT with the NEW YORK STOCK EXCHANGE, said Exchange voted, "That the whole government of the New York Stock Exchange shall be vested in the President, Treasurer, Secretary and a Committee of twenty-eight; the first Committee elected to serve in classes, each class to be composed of seven members. Class One to serve one year, Class Two to serve two years, Class Three to serve three years, Class four to serve four years. After the first year, seven members to be elected each year, to serve for four years. The Committee to have power to elect members to fill vacancies occurring during the year, to serve until the next annual election, at which time the Board shall fill the vacancies for the unexpired term," and "that all articles and parts of articles of the Constitution and By-Laws inconsistent with the foregoing action be, and they are hereby, repealed." And

Whereas, on the 8th day of May, 1869, in consolidating with the "Open Board of Stock Brokers," said New York Stock Exchange voted, "There shall be chosen from the Open Board of Brokers twelve new members of the Committee of Management, making

the whole Board of Management consist of forty members."

On the 10th day of May, 1869, the New York Stock Exchange, at its annual election, did elect said Committee of twenty-eight, and on the eleventh of May, 1869, twelve members of the Open Board of Brokers were added to said Committee, making the whole number consist of forty members.

*Now, therefore,* the whole government of the New York Stock Exchange is vested in the aforementioned Committee of forty, elected in classes as follows: First Class to serve one year; Second Class, to serve two years; Third Class, to serve three years; Fourth Class, to serve four years; and its President, Treasurer and Secretary.

The Governing Committee, in accordance with the directions of the above resolutions, and the power in them vested thereby, do hereby publish the subjoined Constitution and By-Laws for the government of the New York Stock Exchange.

## CONSTITUTION.

### ARTICLE I.

#### *Title of the Association.*

The title of this Association shall be the "NEW YORK STOCK EXCHANGE." Title.

### ARTICLE II.

#### *Elections, Officers, &c.*

There shall be elected by ballot, on the second Monday of May, annually, ten members of a Governing Committee of forty, to fill the vacancies occasioned by the outgoing class, and also members to fill any vacancy or vacancies in the other classes, as provided in the resolutions embodied in the Preamble of this Constitution; a President, Treasurer, Secretary, Chairman and Vice-Chairman. The candidate or candidates having the largest number of votes shall be declared elected.

Election of  
Officers and  
Governing  
Committee.

In case a vacancy shall occur in either of the offices of President, Treasurer, Secretary, Chairman or Vice-Chairman, a new election by ballot shall be held forthwith to supply such vacancy.

Vacancies.

In case a vacancy shall occur in the Governing Committee, by resignation or otherwise, it shall be filled

by said Committee until the next annual election, when the Stock Exchange shall fill the vacancy for the unexpired term.

Vice President.  
Roll-Keeper. The Governing Committee, at its first meeting after the annual election, shall choose from its own members a Vice-President of the Stock Exchange. It shall also appoint a Roll Keeper; and, in case of a vacancy in either of said offices, the same shall be filled at the next meeting of the said Committee.

The members of the Governing Committee shall be deemed Officers of the New York Stock Exchange.

### ARTICLE III.

#### *Standing Committees.*

Standing Committee. As speedily as possible after each annual election, the Governing Committee shall appoint from its own members the following Standing Committees for the year. Should special exigencies require, the President shall have the right to appoint Committees *ad interim*, to act until the regular appointments are made.

Finance Committee. *First.*—A Finance Committee, to whom shall be referred all claims against the Stock Exchange, who shall make all disbursements, invest all surplus moneys, and have a general supervision of the finances, subject to the approval of the Governing Committee.

Committee of Arrangements. *Second.*—A Committee of Arrangements, to whom shall be referred the enforcement of all rules and regulations necessary to good order and the comfort of the members. They shall determine the number, duty and pay of all employes other than the Officers; and shall have a general supervision of all the departments of the Stock Exchange.

Committee on Admissions. *Third.*—A Committee on Admissions, to consist of fifteen members, to whom shall be referred all new applications for membership, and all applications of suspended members for re-admission. But no application for admission or re-admission of a person who has ceased to be a member of the Exchange through violation of its Constitution or By-Laws shall be referred to the Committee on Admissions, unless he has first obtained the consent of two-thirds of the members of the Governing Committee present when such application is considered.

Mode of Admission. They shall determine the manner and form in which their proceedings shall be conducted. Two-thirds of the Committee approving, the candidate shall be declared elected or re-elected to a membership in the Exchange.

The Chairman of the Committee shall inform the Presiding Officer of the Stock Exchange of the admission or re-admission of any applicant, and the said Presiding Officer shall announce the same to the Exchange.

Transfers of Membership. It shall also be the duty of this Committee to consider and dispose of all applications for the transfer of membership under the Article of the Constitution regulating the same. (Art. XIII.)

Compensation. The members of this Committee who shall attend the meetings shall receive Five Dollars each for every meeting; to be paid by the Exchange.

Committee on Securities. *Fourth.*—A Committee on Securities, to whom shall be referred for adjudication all disputed questions as to the regularity of Stock Certificates, Bonds, &c. (other than those of the U. S. Government) dealt in at the Stock Exchange, and all applications for placing on the List the securities of the several States.

Committee on  
Government  
Securities.

*Fifth.*—A Committee on Government Securities, to whom shall be referred all applications for placing on the List the issues of the Securities of the United States Government; and, for adjudication, all disputed questions in regard to the same.

Committee on  
Stock List.

*Sixth.*—A Committee on Stock List, to whom shall be referred the arrangement of the Calls of Stocks and Bonds, and all applications for placing Stocks, Bonds, &c., other than the Securities of the United States Government, and of the several States, on the List dealt in at the Stock Exchange.\*

They shall also have power to transfer Stocks and Bonds from the free list to the regular list, and from the regular list to the free list, as they may deem proper.

Arbitration  
Committee.

*Seventh.*—An Arbitration Committee, to consist of nine members, whose duty it shall be to investigate and decide all claims and matters of difference between members of the Exchange, arising from transactions in Bonds, Bullion, Stocks, or other Securities, or from any transactions in money. Provided, however, that the Arbitration Committee shall, on the application of either one of the parties, or at their discretion, have the power to dismiss the case, and refer the parties to their legal remedy. They shall also adjudicate such claims arising from differences as aforesaid, as may be preferred against members by non-members, when such non-members shall agree to

Claims of  
Non-Mem-  
bers.

\* All applications for the admission of Securities to the Stock List shall be accompanied by a fee of Fifty Dollars, to cover the cost of printing and other expenses of the Committee; said fee to become the property of the Exchange, whether the application is accepted or rejected.

abide by the rules of the New York Stock Exchange, in such cases provided. (*Vide* By-Laws, Art. XXVIII.) The decision of this Committee shall be final in all cases, except as provided in Article IV., Sect. 2, Const., and in cases involving a sum of \$2,500 or over, when either party may appeal, within ten days, to the Governing Committee for a final adjudication.

The members of the Arbitration Committee present shall receive Five Dollars each for hearing a case that shall be heard and decided at one meeting. For all cases occupying the attention of the Committee at more than one meeting, Ten Dollars. No compensation to be paid to any member absent from the meetings of the Committee.

Compensa-  
tion.

The Chairman of the Arbitration Committee shall receive an additional fee of Five Dollars in each case.

The losing party in all adjudicated cases to pay the expenses.

*Eighth.*—A Law Committee, to whom shall be referred all questions of law affecting the interests of the Exchange.

Law Com-  
mittee.

*Ninth.*—A Committee on Printing, whose duty it shall be to order and supervise the printing for the Exchange.

Committee on  
Printing.

*Tenth.*—A Committee on Commissions, whose duty it shall be to see that the rules relating to commissions are complied with, and report to the Governing Committee any violation thereof.

Committee on  
Commissions.



## ARTICLE IV.

*Governing Committee, Meetings, Quorums, Attendance, &c.*Governing  
Committee.

SEC. 1. All business not properly referable to any of the Standing Committees, shall be referred to the Governing Committee for their disposal.

Cases before  
Standing  
Committees.

SEC. 2. The Governing Committee may, at any time during the pendency of a case before any of the Standing Committees, ask for such information and give such instructions as they may deem proper; but any member of a Standing Committee, before which a case may be pending, shall have the right, during the consideration of such case, or within two days after a decision has been made thereon, to demand a reference of the same to the Governing Committee, for final adjudication; and the Chairman of the Standing Committee shall notify the President of the Governing Committee of such reference at the next regular meeting. No member of the Governing Committee shall participate in the adjudication of a case in which he is personally interested.

Meetings.

SEC. 3. The President may call a meeting of the Governing Committee at any time. He shall call a meeting at the request of three members.

Quorum.

A majority of all the members of the Governing Committee, or of any sub-committee, shall be necessary to constitute a quorum.

Absentees.

SEC. 4. Any member of the Governing Committee who, except in case of illness or leave obtained from the Presiding Officer, shall absent himself from the meetings of the Committee during three consecutive regular meetings, shall, *ipso facto*, cease to be a member of

the Governing Committee; and the vacancy so occurring shall be filled as provided in Art. II. of the Constitution.

## ARTICLE V.

*Duties of the President and Vice-President.*

It shall be the duty of the President to see that the several provisions of the Constitution and By-Laws are enforced, and to have a care of the general interests of the Exchange. He shall be entitled to preside over the Exchange during debate, or whenever he may elect so to do, and he shall be a member and President of the Governing Committee.

The Vice-President shall, in the absence of the President, assume all the functions and powers and discharge all the duties of President.

## ARTICLE VI.

*Chairman and Vice-Chairman.*

It shall be the duty of the Chairman to preside over the Board whenever it shall be assembled for business; to call Stocks and Bonds, maintain order, enforce the rules, and perform such other duties as the Governing Committee may regard as properly pertaining to the office.

The Vice-Chairman, in the absence of the Chairman, shall assume all his duties and functions.

Neither the Chairman nor the Vice-Chairman shall be permitted to operate in Stocks during the period he is presiding.

In the absence of both, the President may appoint, *Chairman pro tem.*

or the members present may choose, a Chairman *pro tem.*, with full powers.

The calls of Stocks in the Government Department, as well as at the Sessions in the Board Room, shall devolve on the Chairman and the Vice-Chairman.

The Presiding Officer shall determine all questions of order.

#### ARTICLE VII.

##### *Treasurer.*

*Treasurer.* It shall be the duty of the Treasurer to receive and take charge of all moneys, and render a statement of the funds on the second Monday of May, annually, and at such other times as the Governing Committee may require; he shall also be a member of the Governing Committee, and of the Finance Committee.

#### ARTICLE VIII.

##### *Secretary.*

*Secretary.* It shall be the duty of the Secretary to record in a Book of Minutes the proceedings of the Stock Exchange, and to take charge of the books and papers of the Association. He shall conduct the correspondence of the Exchange, and keep a record of the closing and opening of the Transfer Books for dividends, elections, &c., of the various corporations whose stocks are dealt in at the Exchange, the amount of such dividends, and when payable; and shall post the same on the bulletin-board. He shall also keep a ledger containing the names of all the members, with date of admission by purchase or otherwise, and all transfers of memberships, also a list of suspended members; and shall

discharge such other duties as the Governing Committee may regard as properly pertaining to the office. He shall also be the Secretary of the Governing Committee.

#### ARTICLE IX.

##### *Roll Keeper.*

It shall be the duty of the Roll Keeper to keep a Roll-Book, list of the members of the Stock Exchange, to record all fines, and to report to the Association on the first day of May and November, respectively, the amount levied on each member, and to collect and pay the same into the hands of the Treasurer.

#### ARTICLE X.

##### *Applications for Membership, Eligibility, Initiation Fee.*

SEC. 1. All applications for membership shall be publicly announced by the Presiding Officer of the Stock Exchange, together with the name of the member nominating, and the name of the member seconding, the applicant.

SEC. 2. Every applicant for membership must be twenty-one years of age, a Banker, Broker, or Dealer in Stocks in the City of New York for one year, or a clerk to a member of the New York Stock Exchange for two years, or a member in good standing of the Philadelphia, Baltimore, or Boston Board.

SEC. 3. The initiation fee of members admitted by election shall be *Ten Thousand Dollars*, and that for members admitted by transfer shall be *Five Hundred Dollars*.

In all cases when the initiation fee shall not be paid within five days after the admission of a member and his notification by the Secretary, such admission shall be declared void.

#### ARTICLE XI.

##### *Misstatements of Applicants.*

Misstatements  
of applicants.

Any wilful misstatement by any applicant for admission or re-admission, made upon a material point, shall subject the party offending to the loss of his membership; provided two-thirds of the Committee on Admissions shall decide that he was guilty of such wilful misstatement; but such loss of membership shall not affect the rights of his creditors—members of the Exchange.

#### ARTICLE XII.

##### *Places of Business.*

Place of Business.

SEC. 1. Every member must have, in the vicinity of the Exchange, a place of business other than the Exchange, where comparisons may be made upon the day of the transaction, and where all notices may be served; and it shall be the duty of every member to keep filed with the Secretary a written notice, designating such place of business, and similarly to give notice of any change thereof.

SEC. 2. Any member neglecting to comply with this rule may be considered in default on his contracts, and such contracts may be closed out according to Sec. 1, Art. XVIII. of the By-Laws.

#### ARTICLE XIII.

##### *Transfer of Membership.*

Any member shall have the right to transfer his membership under the provisions of the following Sections: Transfers of Membership.

SEC. 1. When any member wishes to transfer his membership, the name of the proposed transferee shall be submitted to the Committee on Admissions; and, on the approval of two-thirds of said Committee, the transfer may be made, provided the member transferring has no unsettled contracts. (*Vide* Const., Art. XIV.) How to be made.

SEC. 2. When a member dies, his membership may be disposed of by the Committee on Admissions; and after satisfying the claims of the members of the Stock Exchange, they shall pay any balance to the legal representatives of the deceased. Deceased Members.

SEC. 3. In no case shall any transfer of membership be permitted until all dues to the Stock Exchange shall have been paid in full, said dues being hereby declared a prior lien upon the proceeds, to be satisfied in full before any distribution thereof shall be made. Dues to Stock Exchange a prior lien.

#### ARTICLE XIV.

##### *Suspended Members, Re-admission, Claims of Creditors, &c.*

SEC. 1. Any member who fails to comply with his contracts, or who becomes insolvent, shall be suspended until he has settled with his creditors. Such member shall immediately inform the President, in writ- Insolvent Members Suspended.

ing, that he is unable to meet his engagements, and it shall be the duty of the Presiding Officer thereupon to give notice, from the chair, of the suspension of such member. The Secretary shall record the failure of such member in a book kept for that purpose.

Announce-  
ment neces-  
sary.

In default of giving such information, the party, on application for re-admission, shall not be entitled to a reference of his case to the Committee on Admissions, unless two-thirds of the members of the Governing Committee present shall vote in favor of such reference.

Suspended  
members—  
how re-ad-  
mitted.

SEC. 2. When a suspended member applies for re-admission, he shall be required to furnish to the Chairman of the Committee on Admissions a list of his creditors and a statement of the amounts owing, and the nature of his settlement in each case.

The Committee shall give notice, for three consecutive days, through the Presiding Officer of the Stock Exchange, and by posting the same on the bulletin-board provided for that purpose, of the time and place of meeting to consider the application of the suspended member and the claims of creditors. Upon the applicant presenting satisfactory proof of his settlement with all his creditors, the Committee shall proceed to ballot for him, in accordance with its prescribed rules and regulations. Failing of a re-election, the applicant shall be entitled to be balloted for at any five subsequent regular meetings of the Committee, to be designated by himself. Provided, however, that the six ballotings to which the applicant shall be entitled shall be within one year from the time of his first application for re-admission. If, after six ballotings, as aforesaid, the candidate is rejected, he may appeal, within sixty days thereafter, to the Governing

Committee, whose action in the case shall be final. The question on appeal, however, shall not be taken unless at least thirty-five members of the Governing Committee are present, and it shall require an affirmative vote of at least twenty-nine members to re-instate the applicant.

Whenever a majority of the Committee on Admissions find, on examining a suspended member, that he has been doing business in a reckless and unbusiness-like manner, his case shall be reported to the Governing Committee, who, by a majority vote of the whole Committee, shall declare him ineligible for re-admission.

Members doing  
business  
in a reckless  
manner.

SEC. 3. If any suspended member fails to settle with his creditors within one year from the time of his suspension, his membership shall be disposed of by the Committee on Admissions, and the proceeds paid, *pro rata*, to his creditors in the Stock Exchange. The Governing Committee may, by a vote of two-thirds of the members present, extend the time for settlement of such suspended member.

Suspended  
members  
must settle  
in a year.

Time may be  
extended.

SEC. 4. Any creditor failing to file with the Secretary of the Committee on Admissions a written statement of his claim against a member, prior to the transfer of the right of membership of such member, shall forfeit all right to a distributive share of the proceeds of such membership.

Claims of  
creditors to  
be filed.

SEC. 5. No member of the Exchange shall be allowed to take as *partner* any suspended member thereof, during the period of his suspension, or to form a partnership with any insolvent person.

No partner-  
ships with  
insolvent  
persons.

## ARTICLE XV.

*Elections, Quorums, Members of a Firm Voting, &c.*

Elections.

SEC. 1. Any member of the Exchange shall be entitled to vote at an election for Officers.

Quorums for settlement of disputes.

SEC. 2. The members present at the daily sessions of the Exchange shall constitute a quorum for the settlement of disputes growing out of the purchases and sales made during such sessions.

For other questions.

When the Stock Exchange shall be assembled to vote on questions other than the above, a majority of all the members of the Exchange shall be necessary to a quorum.

SEC. 3. But one member of a firm shall be allowed to transact business in the same security, at the same time, or vote on the questions of dispute referred to in Sec. 2.

## ARTICLE XVI.

*Fictitious Sales, Bids and Offers.*

Fictitious sales.

SEC. 1. No fictitious sales shall be made. Any member contravening this section shall, upon conviction, be expelled.

Fictitious or trifling bids, &amp;c.

SEC. 2. Any member who shall make fictitious or trifling bids or offers, or shall offer to buy or sell a stock or security at a less variation than one-eighth of one per cent., shall, upon conviction thereof, be subject to suspension or such other penalty as the Governing Committee shall impose.

## ARTICLE XVII.

*Payments and Deliveries in certain cases to be Simultaneous.*

In all deliveries of Stocks, Bonds, &c., the party delivering shall have the right to require the purchase money to be paid at the time and place of delivery.

Simultaneous payment and delivery.

## ARTICLE XVIII.

*Commissions.*

The rates of commission shall be as follows:

One-quarter of one per cent. on the par value of Stocks, Bonds and other Securities when the transaction is made for a regular investor; and one-eighth of one per cent. on the par value of all Securities when the transaction is a speculative one; and no business shall be done at less than this latter rate, for any persons or firms not members of the Exchange, or for any Banking or other Institution.\* This shall not apply, however, to transactions in Government Securities, upon which the minimum rate to non-members shall be one-sixteenth of one per cent. upon the par value.

Commissions.

Rates to non-members.

Governments.

On all Securities bought or sold for members of the Exchange the rate shall be one-sixteenth of one per cent. on the par value, except where one member merely buys and sells for another, and substitutes his principal during the business hours of the day of the transaction; in which case the commission shall not be

Rates to members.

\* Partners who are not members of the Exchange, must be charged full rates upon their individual business.—*Decision, Committee on Commissions, 1875.*

less than one-thirty-second of one per cent. on the par value.\*

Penalty for  
violation.

Commission shall be charged under all circumstances† on purchases or sales of Stocks, Bonds, or other Securities, either for members of the Exchange or for other parties; and any member violating this Article directly or indirectly, shall upon conviction cease to be a member of the Stock Exchange, and his membership shall escheat to the Exchange; said membership however shall be subject to the provisions of Article XIV. of the Constitution as regards claims of members of the Exchange, who are creditors of such persons.

#### ARTICLE XIX.

##### *All Debts Binding, &c.*

All debts binding.

All debts, without distinction, are binding upon the members of the Exchange, and the Governing Committee will take cognizance of them upon complaints properly made and presented. (*Vide* By-Laws, Art. XXVIII.)

#### ARTICLE XX.

##### *Members Guilty of Obvious Fraud.*

Expulsion for  
obvious  
fraud.

Should any member be guilty of obvious fraud, of which the Governing Committee shall be the judge, he

\*Suspended members who have exhausted their applications for readmission, and, on appeal to the Governing Committee, have been rejected, must pay the same rates as non-members.—*Resolution Governing Committee.*

† What is known as a "turn" of Stocks or Bonds involves two transactions, viz., a purchase and a sale, and a commission must be charged upon each. (*Resolution Gov. Com., April 16, 1873.*)

shall, upon conviction thereof, by a vote of two-thirds of the members of said Committee present, be expelled, and his membership shall escheat to the Exchange; subject, however, to the provisions of Article XIV. of the Constitution as regards claims of members of the Exchange, who are creditors of such persons.

#### ARTICLE XXI.

##### *Obligation to abide by the Constitution and By-Laws. Penalty.*

SEC. 1. Every member, upon signing the Constitution, pledges himself to abide by the same, and also by all By-Laws, Rules or Regulations which may hereafter be adopted.

Constitution  
and By-Laws  
Binding.

SEC. 2. Any member reported to the Governing Committee for refusing to comply with the laws of the New York Stock Exchange, may have a hearing before them; and if said Committee decide that the complaint is proved, two-thirds of the members present may, if he persists in his refusal, declare him no longer a member of the Association.

Penalty for  
Violation—  
Expulsion.

No expulsion or suspension of a member shall affect the rights of creditors as provided for in the Constitution and By-Laws.

Rights of  
Creditors.

#### ARTICLE XXII.

##### *Legal Interference with Officers or Committees.*

Any member of the New York Stock Exchange, who shall himself, or whose partner or partners shall, apply for an injunction or legal instrument, restraining any Officer or Committee of the Exchange from perform-

No legal inter-  
ference.

ing his or its duties under the Constitution and By-Laws, shall by that act cease to be a member of the Association.

### ARTICLE XXIII.

#### *Alterations of the Constitution and By-Laws.*

Alterations of Constitution and By Laws. All alterations of the Constitution and By-Laws shall be made by the Governing Committee, and shall be submitted to the Stock Exchange, and if not disapproved by two-thirds of all the members within one week, they shall stand as the law of the Association.

Art. XXIV. But no alteration of the Article now known as Article XXIV. shall ever be made, which shall impair, in any essential particular, the obligation of each member to contribute as therein provided to the provision for the families of deceased members.

### ARTICLE XXIV.

#### *Provision for the Families of Deceased Members.*

Provisions for families of deceased members. Every member of the New York Stock Exchange shall be subject to the conditions, and entitled to partake of the benefits of the plan for providing for the families of deceased members hereinafter set forth:—

Survivors assessed ten dollars. 1. Upon the death of any member of the Exchange, there shall be levied and assessed against each surviving member the sum of Ten Dollars, which shall thereupon become a due from him to the Stock Exchange, and charged against the membership of such surviving member, to be collected as other fines and dues are or may then be collected.

2. The faith of the New York Stock Exchange is hereby pledged to pay, within one year after proof of death of any member, out of the money so collected, the sum of Ten Thousand Dollars, or so much thereof as may have been collected, to the persons named in the next section, as therein provided, which money shall be paid as a *gratuity* from the surviving members of the Exchange, free from all debts, charges, or demands whatever.

3. Should the member die leaving a widow and no children, then the whole sum shall be paid to such widow for her own use. To whom to be paid.

Should the member die leaving a widow and children, then one-half shall be paid to the widow for her separate use, and one-half to the children for their use, share and share alike; provided, that the share of minor children shall be paid to their guardian, and that the issue of any deceased child shall be entitled to receive the share which said child would have received if living; if of age directly, or if minors, through his, her, or their guardian or guardians.

Should the member die leaving children and no widow, then the whole sum shall be paid to the children, as directed in the preceding section to be done with the moiety.

Should the member die leaving neither widow nor children, then the whole sum shall be paid to the next of kin of the deceased.

In all cases a certified copy of the proceedings before a Surrogate or Judge of Probate shall be accepted as proof of the rights of the claimants, be deemed ample authority to the Stock Exchange to pay over the money, shall protect the Exchange in so doing, and shall release the Exchange forever from all further claim or liability whatsoever. Surrogate's certificate conclusive.

Nature of members' liability.

4. Nothing herein contained shall ever be taken or construed as a joint liability of the Exchange or its members for the payment of any sum whatever; the liability of each member, at law or in equity, being limited to the payment of Ten Dollars only on the death of any other member, and the liability of the Exchange being limited to the payment of the sum of Ten Thousand Dollars (or such part thereof as may be collected), after it shall have been collected from the members, and not otherwise.

The gratuity a gift and not an estate.

5. Nothing herein contained shall be construed as constituting any estate *in esse* which can be mortgaged or pledged for the payment of any debts; but it shall be construed as the solemn agreement of every member of the Stock Exchange to make a voluntary gift to the family of each deceased member, and of the Exchange to collect and pay over to such family the said voluntary gift; it being understood and hereby expressly declared, that the provisions of this Article XXIV. of the Constitution shall only be in force in, and apply to, cases of death which shall take place after its adoption.

Surplus revenues to form a Gratuity Fund.

6. It is hereby made the special duty of, and enjoined upon the Governing Committee of the Exchange, to increase the surplus revenues of the Exchange as far as possible by rigid economy of expenditures, and by increase of receipts in every legitimate way, for the purpose of accumulating a fund to be styled the "Gratuity Fund," to be administered and applied as hereinafter directed.

Trustees of the Gratuity Fund.

7. Upon the adoption of this Article, the Governing Committee shall proceed to elect five trustees, to be called "Trustees of the Gratuity Fund," who shall immediately after their election draw lots for their re-

spective terms of office, which shall be for one, two, three, four and five years; and at each annual election of the Stock Exchange after January 1st, 1874, there shall be chosen by ballot a trustee of the Gratuity Fund, to serve for five years. In case of any vacancy occurring, the Governing Committee shall fill the same until the next annual election, when the Stock Exchange shall choose a Trustee for the unexpired term.

It shall be the duty of the Trustees of the Gratuity Fund to keep securely invested, in accordance with the laws of the State of New York regulating Trust Funds, all moneys paid to them for the Fund, together with the annual interest and accretions arising from the same. They shall have power to choose their own Chairman, and adopt such by-laws as may be needful, subject to the approval of the Governing Committee, and they shall make an annual report to the Exchange of the condition of the Fund.

As soon after the adoption of this Article as the convenience of the Treasury will allow, the Treasurer of the Stock Exchange shall pay to the Trustees of the Gratuity Fund, the sum of Ten Dollars for each member of the Exchange, said payment to be charged against each member, and collected together with his other dues when they next become payable; and every person who shall become a member of the Exchange after the adoption of this Article, shall pay to said Trustees the sum of Ten Dollars before he shall be admitted to the privileges of membership.

Whenever the annual income of the Stock Exchange shall exceed its actual current expenses by the sum of Ten Thousand Dollars, the surplus shall be divided as follows: Each member shall be credited with his proportion of one-half of the total amount divided, in

How elected.

Vacancies.

Investment of Gratuity Fund.

First special payment.

Division of surplus income of Stock Exchange.



reduction of his annual dues; the other half shall be paid over to the Trustees of the Gratuity Fund.

When deaths  
exceed or  
tain num-  
ber.

Whenever the number of deaths of members of the Exchange shall exceed fifteen in any one year, it shall be the duty of the Trustees of the Gratuity Fund to pay out of the Fund to the credit of the surviving members, in reduction of their dues for that year, such sums as may be requisite to limit the total payments of each member under this Article to One Hundred and Fifty Dollars in any one year; provided, however, that should the Fund be exhausted, the liability of each member to make payments in excess of One Hundred and Fifty Dollars, shall not thereby be impaired, but on the contrary, shall remain in full force.

Whenever the Gratuity Fund shall amount to One Million Dollars, the Trustees shall divide the annual income among the members, to be credited in reduction of their annual payments under this Article.

Transfer of  
membership  
forfeits  
right to gra-  
tuity.

8. The provisions of this Article shall not extend to any member who shall have severed his connection with the Exchange by the transfer of his membership, whether the same is made voluntarily or involuntarily, nor to any member who now is, or hereafter may be expelled by the Governing Committee, but shall extend to suspended members.

Suspended  
members.

Membership  
of deceased  
members  
liable.

9. The membership of a deceased member, from the date of his death until sold, shall be subject to the same assessments, under the provisions of this Article, as the memberships of the surviving members during that period.

## BY-LAWS.

### ARTICLE I.

#### *Hours of Business.*

SEC. 1. The Exchange shall be opened for the entrance of members upon every business day at ten minutes before ten o'clock A. M. Hours of busi-  
ness.

At ten o'clock precisely the presiding officer shall announce from the rostrum that the Exchange is opened for the transaction of business, and it shall remain open for such purpose until three o'clock P. M., when the presiding officer shall similarly announce it closed.

Dealings shall be limited throughout the entire year to the interval between the hours above named, and a fine of Fifty Dollars for each offence shall be imposed upon any member who shall directly or indirectly make any transaction in Stocks or Bonds before or after those hours, in the Exchange or its vicinity. Dealings at  
other hours  
forbidden.

SEC. 2. The Exchange shall not be closed at any time between the hours above named, except by order of the Governing Committee. While so closed, the same penalty shall apply to dealings outside of the Exchange as during the regular time of closing. Closing of  
Exchange.

## ARTICLE II.

*Calls.*

Calls.

SEC. 1. The order of business at the regular calls shall be as follows, viz.:

1. Calling the regular list of Stocks or Bonds.
2. Calling Stocks or Bonds on the Free List at the request of members.
3. Reverting to Stocks or Bonds at the request of members.

Stocks may be re-called.

SEC. 2. After the call of the Regular and Free Lists, any Security thereon may be recalled once, without a fine; and afterwards by the payment of a fine of twelve and one-half cents, each time.

Privileges not to be offered

SEC. 3. No offers to buy or sell privileges, to receive or to deliver Securities, shall be made publicly at the Exchange.

## ARTICLE III.

*Applications to place Stocks, &c., on the List.*

Application to place stock on list.

All applications for placing Securities on the regular or free list shall be made to the Committee on Stock List, who shall report the same to the Governing Committee, with a full statement of capital, number of shares, resources, &c.

## ARTICLE IV.

*Registry of Stocks.*

Registry of stocks.

The Stock Exchange will not call or deal in any active speculative Stock of any Company, a registry

of whose stock is not kept in some responsible Bank, Trust Company, or other satisfactory agency, and which shall not give public notice at the time of establishing such registry of the number of shares so entrusted to be registered, and shall not give at least thirty days' notice through the newspapers, and in writing to the President of the Stock Exchange, of any intended increase of the number of shares, either direct or through the issue of convertible Bonds, and shall not at the same time give notice of the object for which such issue of Stock or Bonds is about to be made.

Conditions.

## ARTICLE V.

*Bids and Offers.*

SEC. 1. All offers made and accepted shall be binding. All offers binding.

SEC. 2. In all offers to buy or sell, the offer shall be accompanied with some specific number of shares, the par value of which shall not be less than five hundred dollars, and when no amount is named, it shall be considered to be for one hundred shares of Stock, of the par value of one hundred dollars, or ten thousand dollars of Bonds. Offers to be specific.

No offer to buy or sell a specific lot shall take precedence of any offer to buy or sell a different lot. Offers to buy or sell larger or smaller amounts may be made at the same time and price with one hundred share lots.

SEC. 3. Offers to buy or sell shall be entitled to the floor in the following order: In what order offers entitled to the floor.

1. Bids "seller three days," and offers to sell "buyer three days," shall take precedence of cash and regular.
2. "Cash" and "regular" bids and offers may be made simultaneously, as being essentially different propositions.
3. Offers to buy or sell on longer options than three days, may be made at the same time with offers to buy or sell "buyer, or seller three."
4. In offers to buy on seller's option, or to sell on buyer's option, the longest option shall have precedence.
5. In offers to buy on buyer's option, or sell on seller's option, the shortest option shall have precedence.

No other bids or offers shall be permitted, or have any standing upon the floor.

Members violating the provisions of this section may be reprimanded by the presiding officer, and repeating or persisting in the offence, may be cited to appear before the Governing Committee, who may, in their discretion, suspend the offender for a period of not more than ten days.

Surrender of  
principal.

SEC. 4. No party to a contract shall be compelled to accept a principal other than the member offering to contract, unless the name proposed to be substituted shall be satisfactory, or shall be declared at the time of making the offer.

Liability not to  
be limited.

SEC. 5. No sale of Securities shall be made on which a deposit shall be offered as the limit of liability.

## ARTICLE VI.

### *The term "About."*

In all contracts when the term "*about*" is used, either as to the time or number of shares, the variation of the former shall not be more than three days, nor the latter more than ten per cent.

Meaning of  
term  
"About."

## ARTICLE VII.

### *Settlement of Disputes as to Purchase or Sale of Securities.*

SEC. 1. Whenever there is a disputed claim for the purchase or sale of a Security made during the Sessions of the Exchange, the Presiding Officer shall decide the same, or he may appeal to the Board for their decision. If an appeal be made from the decision of the Presiding Officer and seconded by two members, the question shall be put to vote.

Disputes.

SEC. 2. In any disagreement between members, growing out of the purchase and sale of a Security or Securities, as soon as the same is ascertained, if not settled by mutual agreement, the money difference shall be established forthwith by purchase or sale by an Officer of the Stock Exchange, wherever the Exchange may be at the time convened.

Disagreements  
Money dif-  
ferences to  
be fixed.

SEC. 3. Whenever a buyer or seller fails to get the name of the other party to a transaction, he shall give notice at all the calls of the Exchange on the day of the alleged transaction; and if he fails to find the party, he shall cause the Security or Securities to be purchased or sold through an

Failing to get  
name.

Officer, at the first Call of Stocks on the following day, for account of whom it may concern. In any case of this kind, growing out of an alleged transaction made after the afternoon Call, notice shall be given in the Exchange, and at the first regular call of the following day; when, if the party cannot be found, the alleged transaction shall be closed at the next regular Call, in the manner prescribed above.

#### ARTICLE VIII.

##### *Hour for the Delivery of Securities.*

Time of deliveries. SEC. 1. All deliveries of Securities must be made before quarter past two o'clock P. M.: but where deliveries are not made by that time, in the absence of any agreement between the contracting parties, the contract shall be continued without interest until the following day.

Same for borrowed securities. SEC. 2. This rule shall apply to the receipt and delivery of borrowed securities, but any party failing to perform his contract in such securities shall be liable for the damages that may accrue.

#### ARTICLE IX.

##### *Deliveries of Stock by Certificate and Power.*

Deliveries—how made. SEC. 1. In the delivery of Stock, of which but one transfer in a day is allowed, the receiver shall have the option of receiving said Stock by Certificate and Power irrevocable, in the name of, witnessed or guar-

anteed by, a member of the Exchange, or a firm represented at the Exchange, or by *transfer* thereof.\*

SEC. 2. In all transactions exceeding one hundred shares, where the delivery is by Certificate and Power, the purchaser shall have the right to require the delivery in Certificates of not more than one hundred shares each.

Where the delivery is by certificate and power.

SEC. 3. Powers of Attorney, or substitution, signed by Trustees, Guardians, Executors, Administrators or Attorneys, shall not be a good delivery.

Powers of attorney, &c.

Detached Powers of Attorney, or substitution, must be attested by a Notary Public under seal.

#### ARTICLE X.

##### *Transfer-Books Closed by Legal Impediment—how Deliveries shall be made.*

Whenever the transfer-books of any company shall be closed by any legal impediment, so as to render their being open again uncertain, then the deliveries of Stock of such company, in satisfaction of contracts, shall be made by Certificate and Power of Attorney, irrevocable, with notarial acknowledgment and seal, and containing Assignment and Bill of Sale, the papers to be satisfactory to the recipients or passed upon by the Committee on Securities.

When opening of transfer books uncertain.

\* In the case of Powers of Attorney, or substitution, not executed or witnessed by a member of the Exchange, or a firm represented at the Exchange, the endorsement of a member or such a firm is to be considered a guarantee of the correctness of the signature of the party executing the same.—*Resolution Gov. Com., May 24, 1872.*

## ARTICLE XI.

*Irregularities in Deliveries.*Irregularities  
in deliveries

Reclamations for irregularities in deliveries of Stocks or Bonds, when such irregularities do not affect their validity, but only currency in market, will not be considered, unless made within ten days from the day of delivery.

## ARTICLE XII.

*Stocks when due.—Holidays.*

Regular way.

SEC. 1. All purchases and sales shall be settled for on the next business day, unless expressed to the contrary, and except in the cases referred to in the following section.

Holidays.

SEC. 2. All contracts falling due on Sundays, or on such Holidays as are observed by the Banks, shall be settled on the preceding day.

Consecutive  
holidays

But where two holidays occur on consecutive days, as where Sunday immediately precedes or follows a legal holiday—contracts falling due upon the first of such holidays shall be settled upon the business day immediately preceding, and those maturing upon the second of such holidays shall be settled upon the business day next following the same.

## ARTICLE XIII.

*Contracts Maturing during Closing of Transfer-Books.  
Due-Bills.*When trans-  
fer books  
closed.

All contracts in Stocks falling due during the regular closing of the transfer-books of any Company,

shall be settled at maturity, by the delivery of a Certificate and Power of Attorney, as defined in Article IX. of the By-Laws; and contracts, at the option of the buyer or seller, may be notified for settlement, as if the books were open; and in case the books are closed for a dividend, the party entitled thereto shall receive a due-bill therefor, signed or endorsed by the seller of the stock; but the party entitled to the dividend shall have the right to require a deposit in a Trust Company, payable to the joint order of the purchaser and seller, of the amount of such due-bill.

Due-bills for  
dividend.Deposit may  
be required.

## ARTICLE XIV.

*Contracts.*

SEC. 1. No contracts for the purchase or sale of Securities beyond sixty days, shall be made in the Stock Exchange.

Contracts lim-  
ited to sixty  
days.

SEC. 2. In all contracts on time over three days, made at the option of the buyer or seller, one day's notice shall be given before Securities can be delivered or demanded, and such notice shall be given at or before two o'clock P. M.

When notice  
required.

## ARTICLE XV.

*Interest.*

SEC. 1. No purchase or sale, at the option of the buyer or seller, for three days, or "at three days," shall bear interest. All purchases and sales beyond that time shall be with interest.

When to bear  
interest.

Rate of interest.

SEC. 2. In all time bargains, the rate of interest shall be six per cent., to be calculated by days, according to Bank usage.

Treasury notes or debentures.

SEC. 3. In all cash transactions in Treasury notes, or Debt Certificates, the accrued interest shall be paid by the buyer; and in all time contracts therein, the premium and accrued interest up to the time of entering into the contract, shall become a part of the principal, and bear interest at the rate of six per cent., and in all cases the buyer shall be entitled to receive Notes or Certificates bearing interest from the date of contract, or the equivalent.

Purchaser entitled to accrued interest.

SEC. 4. The accrued interest on all Stocks and Bonds, not especially excepted in the By-Laws, shall go to the purchaser.

## ARTICLE XVI.

### *Dividends.*

Closing of transfer books.

SEC. 1. On the day of closing of the transfer-books of any stock for a dividend, transactions in such stock for cash shall be "dividend on" up to the time officially designated for the closing of the books; all transactions other than for cash shall be "dividend off" after a quarter past 2 o'clock, P. M., or after the closing of the books, should they close before that hour.

Dividend "on" and "off."

Seller when to collect dividend.

SEC. 2. When a dividend is declared on a Security during the pendency of a contract, the seller shall collect, hold, allow interest on, and pay the same to the buyer on the settlement of the contract.

Charge for collecting.

SEC. 3. Members may charge one per centum for collecting and paying dividends. But where a scrip or stock dividend has been declared by a company, the

one per cent. shall be upon the *market* value, and not upon the *par* value, of the scrip or stock.

SEC. 4. No dividend on Stocks shall be sold at the Exchange. Dividends not to be sold.

## ARTICLE XVII.

### *Mutual Deposits on Contracts.*

SEC. 1. In any contract, either party may call, at any time during the continuance of the same, for a mutual deposit of ten per cent. And whenever the market price of the Securities shall change, so as to reduce the margin of said deposit either way below five per cent., either party may call for a deposit sufficient to restore the margin to ten per cent., and this may be repeated as often as the margin may be so reduced. Mutual deposits on contracts. When may be called.

In all cases where deposits are called before two o'clock P. M., they shall be made at or before two-and-a-half o'clock P. M. the same day. If called after two o'clock P. M., they shall be made at or before eleven o'clock A. M. of the following day. How soon to be made.

SEC. 2. In case either party shall fail to comply with a demand for a deposit, in accordance with the provisions of this article, the party calling, after having given due notice, may report the default to an Officer of the Exchange, who shall re-purchase or re-sell the Security forthwith in the Exchange, and any difference that may accrue shall be paid over to the party entitled thereto. Failing to deposit. Remedy.

The notice above referred to shall be either personal or shall be left in writing at the office of the party to be notified, or in case he has no office, then by public Notice.

announcement whenever the Exchange may be in session.

Place of de-  
posit.

SEC. 3. Where there is a difference of opinion as regards the place of deposit, for the security of purchases and sales, the same shall be made in the New York Life and Trust Company.

## ARTICLE XVIII.

### *Default—Closing Contracts under the Rule.*

Default in  
contracts.

SEC. 1. Should any member neglect to fulfill his contract on the day it becomes due, the party or parties contracting with him shall, after giving notice, as required by Sec. 2 of the preceding Article, employ an Officer of the Board to close the same forthwith in the Exchange by purchase or sale, as the case may require, unless the price of settlement has been agreed upon by the contracting parties.

Same to be  
closed.

Price—how  
fixed.

In case of failure of a creditor to close the contract as above, the price shall be fixed by the price current at the time such contract ought to have been closed under the rule.

Names to be  
announced.

In all cases where an Officer may be directed to buy or sell securities under this rule, the name of the member defaulting, as well as that of the member giving the order, shall be announced.\*

Duties of of-  
ficer—clos-  
ing con-  
tract.

No order for the purchase or sale of Securities, under this rule, shall be executed unless made out in writing

\* Contracts in Government Securities closed "under the rule," shall be so closed in the room of the Government Department, and in all other securities in the large room of the Exchange.—*Resolution of Gov. Com., Jan. 12, 1860.*

over the signature of the party giving the order, who shall state the reason therefor; and it shall be the duty of the Officer who executes the order to endorse thereon the name of the purchaser or seller, the price and the hour at which the contract is closed, and hand the same to the Secretary of the Board, who shall, within twenty-four hours, ascertain whether the party, for whose account the order was given, has paid the difference, if any, arising from the transaction. If not paid, the Secretary shall report the default to the President. The duty devolved upon the Officers of the Exchange under this rule shall be performed without charge.

No party shall be permitted to supply offers to buy or sell securities closed for his account "under the rule."

Party default-  
ing not to  
supply of-  
fers.

And when a contract is closed under this rule, any action of the defaulter, direct or indirect, by which the prompt fulfillment of such contract is delayed, hindered or evaded, to the detriment of the other contracting party, shall subject the offending party to suspension for not less than thirty days, or expulsion from the Exchange, in the discretion of the Governing Committee, by a vote of two-thirds of the members present at a meeting.

And not to  
hinder clos-  
ing of con-  
tract.

When contracts are closed out under the rule, any member supplying the bid or offer, and not duly receiving or delivering the stock, as the case may be, renders himself liable to prosecution under this article.

Member sup-  
plying of-  
fers.

Should any stock thus sold not be delivered until the next day, the contract shall continue; but the party defaulting shall be liable to pay such damages as may be assessed by the Arbitration Committee.

Same rules apply to borrowed securities.

SEC. 2. The same rules, as to notice, time and place, that govern defaults in other contracts, shall apply to *borrowed Securities*, which, on non-delivery or receipt, must be borrowed or loaned in open market, except in case of actual default in receiving or delivering, after notice to close the loan; then the same are to be bought or sold, as the case may be, for account of the defaulter, in the manner provided in this article.

#### ARTICLE XIX.

##### *Against Uniting with other Organizations.*

Uniting with other organizations.

SEC. 1. Any member uniting, directly or by a partner, with any organization where Stocks, Bonds, &c., are dealt in, shall cease to be a member of this Exchange. This rule shall not apply to the Gold or Mining Boards while their transactions are limited to the class of Securities at present dealt in at their respective Exchanges.

Dealing with non-members.

SEC. 2. Any member of the Exchange dealing with a person not a member, in the rooms of the Exchange, shall be subject to the penalty of suspension for not less than sixty days, nor more than twelve months.

#### ARTICLE XX.

##### *Dues and Fines. Penalty for Non-payment.*

Dues.

SEC. 1. The dues of all members of the Exchange shall be payable on May 1st and November 1st of each year, and shall be twenty-five dollars semi-annually, exclusive of fines and of dues under Article XXIV. of the Constitution.

SEC. 2. Any member who shall neglect to pay his fines or dues for three months after they become payable, shall, after due notice, be suspended until they are paid; and if not paid at the end of one year, he shall no longer be considered a member, and his membership may be disposed of by the Committee on Admissions.

Penalty for non-payment.

#### ARTICLE XXI.

##### *Indecorous Language, Disorderly Conduct, &c.—Punishment.*

SEC. 1. Any member who shall, during the Sessions of the Exchange, use indecorous language to another member, or who shall be guilty of conduct subversive of good order and decorum, or of any act or acts whereby the personal comfort or safety of other members is seriously interfered with, shall be fined at the discretion of the Presiding Officer in a sum not exceeding ten dollars, and may, in addition thereto, upon complaint made, be summoned before the Governing Committee, who may suspend him for a period of not more than thirty days, and upon a repetition of the offence may subject him to expulsion; and he shall not be re-admitted except by consent of two-thirds of the members of the Governing Committee present at a session thereof.

Disorderly conduct, &c.

SEC. 2. Any member interrupting the Presiding Officer while calling Stocks, by speaking, or otherwise, shall pay a fine of not less than twenty-five cents for each offence, at the discretion of the Presiding Officer, from which there shall be no appeal.

Interrupting presiding officer.

The levying of all fines shall rest exclusively with the Presiding Officer.



## ARTICLE XXII.

*Smoking Forbidden.*

Smoking forbidden. Any member smoking in the business rooms of the Exchange, or in any other part of the Exchange where the Committee of Arrangements may decide to prohibit the same, shall be fined five dollars.

## ARTICLE XXIII.

*Injuring Property of the Exchange. Employés, &c.*

Injuring property of exchange. SEC. 1. If a member injures or destroys the property of the Exchange, it shall be repaired or replaced under the direction of the Committee of Arrangements, and the expense charged to such member, in addition to any fines which may be imposed by the Presiding Officer for the offence, under Art. XXI. of the By-Laws.

Misconduct of employés, visitors or subscribers. SEC. 2. If any employé of the Stock Exchange shall deface the building or injure the property of the Exchange, he shall be discharged forthwith; and if any employé of a member of the Exchange, or of a Telegraph Company, or if any visitor or subscriber shall deface or destroy the property of the Exchange, or be guilty of rude or improper conduct, he shall be excluded from the rooms of the Exchange.

## ARTICLE XXIV.

No business before call. SEC. 1. Except by unanimous consent, no business shall be transacted previous to the first call of Stocks.

SEC. 2. When any special meeting of the Exchange shall be appointed, the fine for non-attendance may, by a vote of two-thirds of the members present, be fixed at a sum not exceeding five dollars. Special meetings.

SEC. 3. No notice shall be taken of any resolution or resolutions, unless submitted in writing. Resolutions to be in writing.

SEC. 4. No member shall speak more than twice on any question under discussion by the Exchange, without permission from the Presiding Officer, nor shall any member interrupt another while speaking. Members not to speak more than twice.

SEC. 5. The Presiding Officer shall not participate in any discussion arising in the Exchange, while occupying the Chair. Presiding officer.

SEC. 6. The ayes and noes shall not be called for upon any question, excepting at the request of one-fifth of the members of the Exchange present. When the ayes and noes are ordered, a ballot-box shall be placed on the Secretary's desk, and kept open for the reception of votes from 10½ A.M. until 2 P.M. The vote shall be taken by the deposit of a ballot, endorsed by the member voting, and containing his vote, aye or no. Said ballots shall be placed on file, in alphabetical order, and preserved for fifteen days. The votes shall be entered upon the roll, opposite to the names of the members who have voted, and such roll shall be placed in the Secretary's desk, for the inspection of members. Ayes and noes.

## ARTICLE XXV.

*Access to the Minutes.*

No person shall have access to the Minutes of the Exchange, except the members, or their partners. Minutes of the Exchange.

## ARTICLE XXVI.

*Communications Influencing the Market.*

Communications influencing the market. No communications having a tendency to influence the market shall be read to the Exchange without the consent of the President or Presiding Officer.

## ARTICLE XXVII.

*Introduction of Strangers.*

Introduction of strangers. No member shall introduce a stranger on the floor of the Exchange unless by permission of the President or Presiding Officer.

## ARTICLE XXVIII.

*Arbitration of Claims.*

Any person may present claim. Any person shall have the right to bring a claim arising from any transaction against a member of the Exchange, before the Arbitration Committee, on the conditions following, and not otherwise:

Release to be executed. The person making such claim shall execute a full release of his claim against said member, duly signed, sealed and stamped, and shall deliver the same to the Chairman of the Arbitration Committee to be held in trust, to abide the event of the suit before said Committee.

## FORM OF RELEASE.

KNOW ALL MEN BY THESE PRESENTS, That I, \_\_\_\_\_, for and in consideration of the sum of One Dollar, to me in hand paid by \_\_\_\_\_, the receipt of which is hereby acknowledged, have remised, released, and forever discharged, and by these presents I do hereby remise, release, and forever discharge the said \_\_\_\_\_ of and from any and all demands heretofore existing and due and owing to me, and the said \_\_\_\_\_ is hereby fully released and discharged from the same.

Scaled with my Seal, and dated at New York, this \_\_\_\_\_ day of \_\_\_\_\_ 18\_\_\_\_

The Chairman of the Arbitration Committee shall keep the said release in trust, to abide the result of said suit, and shall deliver the same to the defendant in either of the three following cases:

1st. In case the claimant shall not present his claim to the Arbitration Committee within twenty days after executing said release.

2d. In case judgment shall be rendered for said defendant by the Arbitration Committee.

3d. In case the defendant shall pay, or offer to pay, to such claimant the amount of judgment rendered in favor of said claimant.

In case judgment shall be rendered against any member of the Exchange, which he is unable or unwilling to pay, then such release shall be cancelled and returned to such claimant.

When Release may be cancelled.

## ARTICLE XXIX.

*The Trustees of the Gratuity Fund.*Trustees of  
Gratuity  
Fund.

1. On the first Monday after the annual election of the New York Stock Exchange, or as soon thereafter as may be practicable, the Trustees of the Gratuity Fund shall organize by electing a Chairman, Secretary and Treasurer of the Gratuity Fund, who shall serve for one year or until their successors shall be chosen.

Meetings.

2. There shall be a regular meeting of the Trustees on the third Monday in each month. The Chairman may call a special meeting at any time; he shall call a meeting at the request of two Trustees.

Quorum.

3. At all meetings three shall constitute a quorum.

Chairman.

4. It shall be the duty of the Chairman to preside at meetings; he shall vote on all questions; he shall on the Monday preceding the annual election in the Stock Exchange make a report to the Exchange of the condition of the Fund, with a statement by the Treasurer of receipts and disbursements.

Annual  
Report.

Secretary.

5. It shall be the duty of the Secretary to keep regular minutes of the proceedings of the Trustees, and to give notice of meetings.

Treasurer.

6. It shall be the duty of the Treasurer to receive and sign vouchers for all moneys paid to the Trustees, which he shall deposit in such institutions as they may direct, to his credit as Treasurer of the Gratuity Fund of the New York Stock Exchange.

Custody of  
Securities.

He shall have the custody of all Securities belonging to the Fund or held by the Trustees, subject, however, at all times to their examination and direction.

He shall keep or cause to be kept proper Books of Account.

He shall receive and keep a Record of all claims for payment under Article XXIV. of the Constitution of the New York Stock Exchange, and present the same to the Trustees for their action; when allowed and approved by the Trustees he shall pay the same; but no such payment shall be made until directed by the Trustees.

Record of  
Claims.

He shall make such investments for the Fund as may be ordered by the Trustees.

His books shall always be open to the inspection of any Trustee, and he shall make to the Chairman an annual statement of receipts and disbursements.

Inspection of  
the Books.

He shall receive out of the Fund such compensation per annum as may be fixed by the Trustees and approved by the Governing Committee of the New York Stock Exchange.

Compensation.

7. All investments of moneys belonging to the Fund shall be made by the Trustees as directed by Article XXIV. of the Constitution of the New York Stock Exchange.

Investments of  
Fund.

All registered stock shall be inscribed in the name and to the order of "the Trustees of the Gratuity Fund of the New York Stock Exchange," but without specifying the individual names of such Trustees, and may be disposed of and assigned by any three of said Trustees.

Stocks how  
Registered.

8. The Treasurer of the Gratuity Fund shall be authorized to receive from the members of the Stock Exchange who may desire to make payments in advance of the regular maturity of their dues under Art. XXIV. of the Constitution, any sum not less than

Members may  
make Advance  
Payments.

Ten Dollars at a time, and issue his receipt therefor; and such receipt shall be received by the Treasurer of the New York Stock Exchange, when the semi-annual dues become payable, as a payment for the amount specified. To facilitate such payments on the part of members, the Treasurer of the Gratuity Fund may avail of the services of the Roll-keeper of the Exchange.

Disburse-  
ments, &c.

9. The Trustees shall have power at their discretion to consult and employ legal counsel; they shall be authorized to make disbursements out of the Fund to defray necessary expenses, but no such disbursements shall be allowed without a resolution, specifying the nature and amount of the same, being entered at large upon the Book of Minutes of the Secretary. Each Trustee shall receive from the Fund Five Dollars for every meeting at which he shall be present.

Vacancies.

10. In case of a vacancy occurring in the office of Chairman, Secretary or Treasurer, the Trustees shall forthwith proceed to fill the same for the unexpired term. In case of the temporary absence or inability to act of either Chairman, Secretary or Treasurer, the Trustees shall have power to appoint one of their number to act in his stead *pro tem*.

Power of  
Governing  
Committee

11. The Governing Committee of the New York Stock Exchange shall at all times have the right to direct the production before them of the Securities belonging to the Fund, the Secretary's Book of Minutes and the Treasurer's Books of Account.

Examination  
of the  
Fund.

It shall be the duty of the Finance Committee of the Exchange, to make an examination of the condition of the Fund once in every year; and said Committee

shall have the right at any time to make such additional examination as they may deem proper.

12. The Governing Committee of the New York Stock Exchange shall have the power to try charges against Trustees, for malfeasance or negligence in office, and by a vote of two-thirds of all its members, to suspend him from his functions or declare the office vacant.

13. It shall be the duty of the Treasurer of the New York Stock Exchange to pay over semi-monthly, all dues collected under Article XXIV. of the Constitution to the Treasurer of the Gratuity Fund.



**END OF  
TITLE**